



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 25, 2014

Certified Return Receipt
7011 2970 0001 8829 0209

Regular Mail

Justin Farley
United Stone and Design
P. O. Box 99
Duchesne, Utah 84021

225 West 100 South
Duchesne, Utah 84021

Subject: Settlement Offer for Fines, United Stone and Design, United Stone Mine, S/047/0079, Duchesne County, Utah

Dear Mr. Farley:

By order dated May 9, 2013, the Board of Oil, Gas and Mining forfeited the cash surety in the amount of \$3900.00 that was being held for reclamation of the United Stone mine, permit number S/047/0079.

The Division of Oil, Gas and Mining issued three cessation orders and associated civil penalties (fines) for this site which are summarized below. The penalty amounts are considered final and due, and the fines have not been paid.

Cessation Order Number	Fine Amount
MC-2006-03-07-01	\$1320
MC-2008-59-01	\$2200
MC-2008-59-02	\$1500
Total	\$5020

The reclamation work has been completed, and the Division has excess surety. The Mined Land Reclamation Act requires that excess surety be returned to the rightful claimant, but it also requires that the fines be paid.

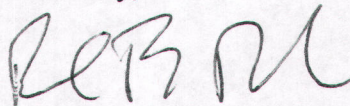
The Division offers as a settlement agreement that it be allowed to retain the remaining forfeited surety as full payment for the fines.

Page 2 of 3
Justin Farley
S/047/0079
August 25, 2014

If you are in agreement with this proposal, please sign the upper portion of the attached agreement and return the original to the Division. If you do not accept this proposal, please sign the lower part of the agreement, return it to the Division, and remit the full amount of the fines, \$5020.00, after which the Division will refund to you the remaining surety.

Please contact me at 801-538-5261 if you have questions about this proposal.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. Baker' with a stylized flourish at the end.

Paul Baker
Minerals Program Manager

PBB:pb
Enclosure: Agreement
P:\GROUPS\MINERALS\WP\M047-Uintah\S0470079-UnitedStone\final\ltr-fines&surety-07232014.doc

Page 3 of 3
Justin Farley
S/047/0079
August 25, 2014

Settlement Agreement for Payment of Civil Penalties
United Stone and Design, United Stone Mine
Permit Number S/047/0079

Whereas on May 9, 2013, the Utah Board of Oil, Gas and Mining forfeited the reclamation surety being held for the United Stone mine, Division of Oil, Gas and Mining (Division) permit number S/047/0079, in the amount of \$3900.00.

Whereas the Utah Mined Land Reclamation Act requires that funds obtained from a forfeited surety be used only for reclamation of the site to which it pertains and that excess funds be returned to the rightful claimant.

Whereas the mine site has been reclaimed and the Division has excess funds.

Whereas United Stone and Design received cessation orders MC-2006-03-07-01, MC-2008-59-01, and MC-2008-59-02. The civil penalty assessment s for these cessation orders are final and past due. The amounts due are \$1320.00, \$2200.00, and \$1500.00, respectively, for a total of \$5020.00.

Whereas the Division is willing to accept the excess surety funds as payment in full for the civil penalties.

I, Justin Farley, accept the terms of this offer and willingly relinquish claim to the excess funds in the reclamation surety as full payment for the civil penalties for the cessation orders listed above.

Signature

Date

I, Justin Farley, do not accept the terms of this offer and agree to remit full payment for the civil penalties, \$5020.00, after which the Division will refund the remaining portion of the reclamation surety.

Signature

Date